TWENTY YEARS OF RESEARCH ON PERFORMANCE MANAGEMENT IN BUSINESS AND PUBLIC ADMINISTRATION DOMAINS

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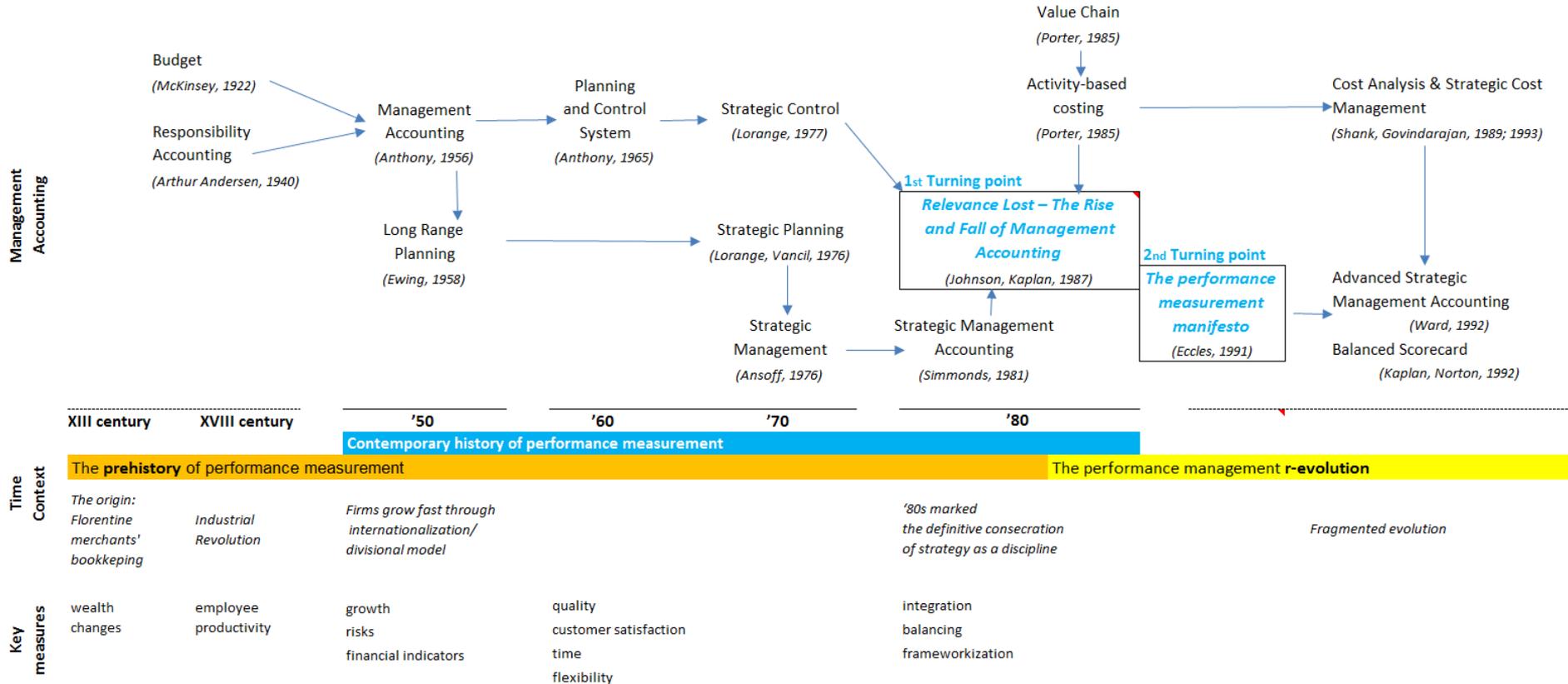
Introduction

- Performance management practices are widespread in all industries and for all kind of organizations

- Scholars' interest has dramatically grown in the last 20 years

1. There is **little consensus** among scholars
   - scholars' background diversity brings different research questions, theoretical bases and methodological approaches
2. The field is still relatively **immature**
   - there is not a reference journal
3. We still miss more robust empirical and theoretical analysis of performance management frameworks and methodologies

Introduction

- Other bibliometric studies on performance measurement were published (Bititci et al., 2012; Taticchi, 2010; Neely, 2005; Marr, Schiuma, 2002)

- Similarly to them, we limit subjectivity through quantitative data

- Unlike them
  1. we did not use citations and co-citations analysis
  2. we did not select articles published in a small set of journals
  3. we perform our analysis distinguishing 2 subfields: **business and public administration**

- We **map the intellectual structure** and the **content evolution** of the performance management (1991-2010) and show the pathways about **next developments** in this field

- Our main **contributions**
  1. to understand better the state of art in terms of gaps, divergences, commonalities and tendencies in which the fields are going on
  2. to provide a map to scholars in positioning their future research work

Storyline

Management Accounting							
					Value Chain (Porter, 1985)		
Budget (McKinsey, 1922)		Planning and Control System (Anthony, 1965)	Strategic Control (Lorange, 1977)		Activity-based costing (Porter, 1985)		Cost Analysis & Strategic Cost Management (Shank, Govindarajan, 1989; 1993)
Responsibility Accounting (Arthur Andersen, 1940)	Management Accounting (Anthony, 1956)				**1st Turning point** *Relevance Lost – The Rise and Fall of Management Accounting* (Johnson, Kaplan, 1987)		
	Long Range Planning (Ewing, 1958)		Strategic Planning (Lorange, Vancil, 1976)			**2nd Turning point** *The performance measurement manifesto* (Eccles, 1991)	Advanced Strategic Management Accounting (Ward, 1992)
			Strategic Management (Ansoff, 1976)	Strategic Management Accounting (Simmonds, 1981)			Balanced Scorecard (Kaplan, Norton, 1992)

	XIII century	XVIII century	'50	'60	'70	'80	
Time Context			Contemporary history of performance measurement				
	The **prehistory** of performance measurement					The performance management **r-evolution**	
	The origin: Florentine merchants' bookkeping	Industrial Revolution	Firms grow fast through internationalization/ divisional model			'80s marked the definitive consecration of strategy as a discipline	Fragmented evolution
Key measures	wealth changes	employee productivity	growth risks financial indicators	quality customer satisfaction time flexibility		integration balancing frameworkization	

Methods

1. We extracted 1,230 papers for BA e 116 for PA from (SSCI)
   - two generic keywords "Performance Management" and "Performance Evaluations" - explorative analysis
   - we didn't previously choose a sample of journals - multidisciplinary field

2. We drew the historiographic map (HistCite) and identified the most contributing authors and the most influential articles

3. Coding
   - 26 macro-keywords: individual keywords regrouped into coherent categories and reviewed by 3 independent academic experts (also by mail)
   - Two coders for matching : Scott's index (0.78) & Bhapkar's test (P-value non significant) confirm concordance

4. Multiple correspondence analysis (software SPAD:version 5.5)
   - Benzecrì eigenvalues correction formula, First factorial map (2 axes) summarizes 52,1% for Business domain and 53,4% for PA domain of overall inertia

Methods

Selection

- **More than 1.300 papers** from **SSCI** through the keywords "Performance Management" and "Performance Evaluations" (explorative nature)
- only research articles in English **from 1991 to 2010** on international journals
- **we didn't previously choose a sample of journals (multidisciplinary field)**

Citation analysis

- We portioned our collections in **two sub-groups** according to SSCI subject areas:
    - Business (Business; Business and Finance; Management Operations Research)
    - PA
- For the most influential articles we drew the **historiographic map** (HistCite software)

Methods

Coding

- we **recoded all the papers through macro-keywords**
  - an initial list of major keywords by iteratively sorting the individual keywords and regrouping them into coherent categories, reviewed by 3 independent academic experts
  - After several rounds of discussion among these experts, also by mail, a final list of 26 macro-keywords was obtained
- We chose to **allocate each paper to one or more keywords by two coders**
- A **reliability test** was used to assess the extent to which the coding overlapped together with the robustness of our findings.
  - the mean values of inter-rater reliability π Scott's index was equal to 0.78 (satisfying level).
  - also Bhapkar's test: results are not statistical significant (considering a threshold 0.1 of I-type test error).

MCA

- we carried out a complete disjunctive coding of our variables and then we built a Burt Matrix
- The individuals observed are the papers
- Keywords represent active variables in the model.
- We used also a set of illustrative variables, i.e. papers publication periods
- we considered the weight (citations per year) assigned to the papers.

- statistical software SPAD (version 5.5)
- Given the different approaches used for the selection of factors in literature (prefixed number between 2 and 4; eigenvalue method; screen test), we finally agreed on the choice of the first factorial plan (Axis 1 and Axis 2).
- Benzecrì eigenvalues correction formula, summarizes 52,1% for Business domain and 53,4% for PA domain of overall inertia (satisfactory, given the binary nature of the data)

Findings

Descriptive analysis

- Articles' growth rates
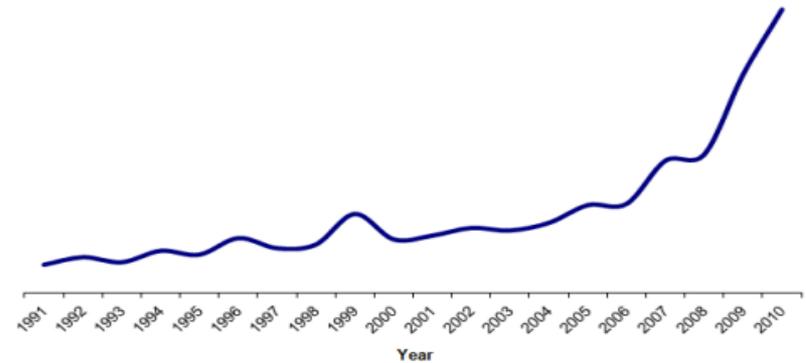- First author's country
- Contributing authors

Geographic distribution of first authors' affiliation

	Business	Pub.Admin.
USA	39.21%	25.81%
Commonwealth Area	17.62%	38.71%
Europe	19.31%	29.03%
Asia	22.18%	0.00%
South America & Africa	1.68%	6.45%

BA: Publications Growth

PA: Pubblications Growth

Most Contributing Authors

| Business			Public Administration		
Authors	Frequ.	Frequ. Fracti.	Authors	Frequ.	Frequ. Fracti.
Reichelstein S	9	4,58	Heinrich CJ	3	2,50
Zhu J	8	3,42	Cutler T	3	1,50
Wilson JR	8	2,95	Waine B	3	1,50
Ferris GR	7	2,83	Hope KR	2	2,00
Rajan MV	6	3,50	Norman R	2	1,50
Cook WD	6	2,58	Snape S	2	1,50
Frein Y	6	1,92	Radnor Z	2	1,33
Lin WT	6	1,70	Bovaird T	2	1,00
Chen EJ	5	3,50	Christensen T	2	1,00
Yang CC	5	2,50	Laegreid P	2	1,00
Average value	6,6	2,95	Average value	2,3	1,48

Findings

Most Influential Papers

BA

1. Management **relative performance evaluation** ("performance based contract")
   - Grounded in the **accounting discipline**
   - **Theory of agency**
2. **Subjectivity**

PA

1. **'90: changes in the practices of PM and lessons from first experiences**
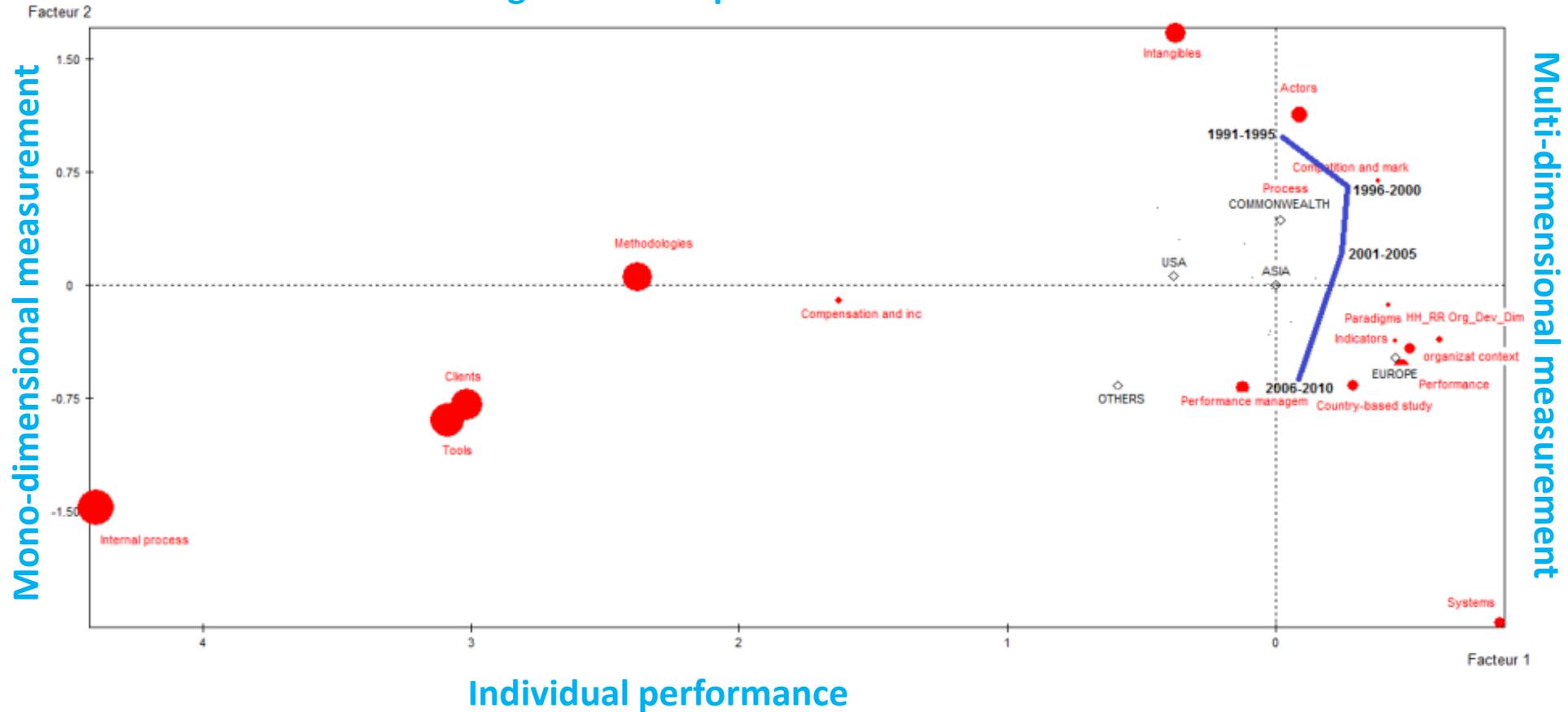2. **2000-2005: human resources practices**
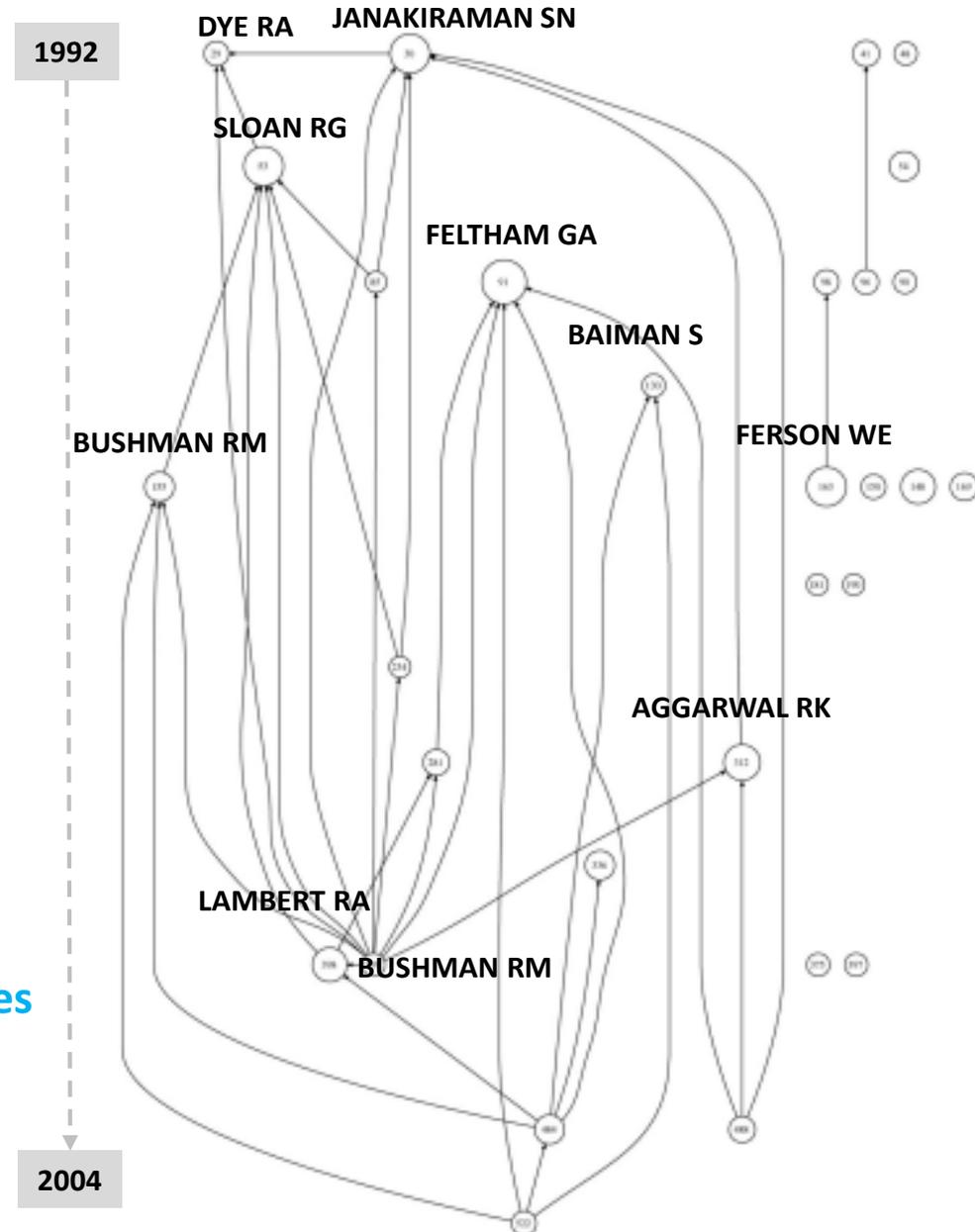
Findings

MCA map for Business Field

Findings

MCA map for PA Field

Organizational performance

Multi-dimensional measurement

Mono-dimensional measurement

Individual performance

Discussion and conclusions

1. We observe an **almost linear evolution of research** in performance management
2. Albeit from different origins, evolution seems to be **directed towards a multidimensional measurement and individual performance assessment**

- **Future research** questions should be related to the **integration of multidimensional measurement and individual performance** evaluation and its implication for the overall organizational performance.
- Linking multidimensional measurement and individual performance evaluation offers **new opportunities to bring more organizational theory into the performance management domain** to help disentangle the practice and the praxis of performance management in socially complex contexts